

**Business Enterprise Program Council for Minorities,
Females, and Persons with Disabilities Meeting**

MEETING MINUTES

**Monthly Council Meeting
Location: Video Conference Room 2-025
James R. Thompson Center
100 W. Randolph Street, Chicago, Illinois**

Monday, January 25, 2010 1:00 p.m.

COUNCIL MEMBERS IN ATTENDANCE

Lourdes Coss
Alesia Hawkins (replaced Debra Matlock)
Raymond Arias
Florence Cox
Beth Doria
Hedy Ratner
Phillip Barreda
Curtis Thompson
Lynne Turner
Ngozi Okorator (replaced Darryl Harris)
Patrick Blair (via video conference)
Larry Ivory (via video conference)

COUNCIL MEMBERS NOT IN ATTENDANCE

Michael Gonzalez
Larry Parrish (replaced Issa Lozada)
Letitia Herrera

COUNCIL CHAIRMAN

James P. Sledge, CMS/ Director

ACTING COUNCIL SECRETARY

Elias Ricks Ngwayah II, CMS/BEP

CMS STAFF IN ATTENDANCE

Philina King, CMS/BEP Legal Counsel
Susan Hartman, CMS
Yvette Riley, CMS/BEP
Harry Reinhard, CMS/BEP
Gladys Rodriguez, CMS/BEP
Leslie Taylor, CMS/BEP
Rachel Y. Barksdale Little, CMS/BEP

OTHERS IN ATTENDANCE

Stephanie Stephens, Illinois Toll Highway Authority
Darryl Harris, Governor's Office (via video conference)
Denise Martinez, Governor's Office

AGENDA

- 1.0 CALL TO ORDER
- 2.0 ROLL CALL
- 3.0 APPROVAL OF THE MINUTES OF THE REGULAR COUNCIL MEETING HELD ON November 23, 2009
- 4.0 CHAIR'S REPORT
 - 4.1 Council Membership
 - 4.2 Policy Status
- 5.0 POSTED BUSINESS
 - 5.1 Disparity Study Oversight Committee Meeting Update – Denise Martinez
 - 5.2 Legislative Update – Philina King
- 6.0 UNFINISHED BUSINESS
 - 6.1 Committee Updates
 - A. Exemption/Compliance Committee
 - a. Exemption Report – Harry Reinhard
 - B. Bonding Committee
 - C. Professional Services
- 7.0 NEW BUSINESS
 - 7.1 Exemption Request – Harry Reinhard
- 8.0 ADJOURNMENT

CALLED TO ORDER

James P. Sledge, Director for Illinois Department of Central Management Services, called the Business Enterprise Program Council meeting to order at 1:05 PM.

Elias Ricks Ngwayah II, Acting Business Enterprise Council Secretary, took roll call.

INTRODUCTION

Chair James Sledge welcomed and introduced new CMS hire, Philina King and new members to the Council.

MINUTES OF COUNCIL MEETING OF November 23, 2009

The minutes of the Council meeting held November 23rd were motioned for approval by Hedy Ratner and seconded by Phillip Barreda. The remaining members of the Council with no opposition nor abstentions approved the minutes.

2010 COUNCIL MEETINGS

The upcoming BEP Council meetings will be scheduled for the fourth Monday of each month, from 1:00 PM. to 3:00 PM.

The Council meeting calendar for 2010 is as follows:

22nd February 2010 – JRTC, Room 2-025
22nd March 2010 – JRTC, Room 2-025
26th April 2010 – JRTC, Room 2-025
24th May 2010 – JRTC, Room 2-025
28th June 2010 – JRTC, Room 2-025
26th July 2010 – JRTC, Room 2-025
23rd August 2010 – JRTC, Room 2-025
27th September 2010 – JRTC, Room 2-025
25th October 2010 – JRTC, Room 2-025
22nd November 2010 – JRTC, Room 2-025
27th December 2010 – JRTC, Room 2-025

CHAIR'S REPORT

Chair James Sledge reported on the following items:

Chair James Sledge advised the Council on the changes in the Council membership since the last meeting. Chair James Sledge introduced and welcomed new members to the Council.

In addition, Chair James Sledge reintroduced Philina King as CMS new appointed Deputy General Counsel for Business Enterprise Program.

New Council members:

- Alesia Hawkins (replaced CMS Representative, Debra Matlock),
- Lawrence Parrish (replaced IDOT Representative, Issa Lozada)
- Ngozi Okorator (replaced Capital Development Board Representative, Darryl Harris).

Chair James Sledge yielded the floor to Philina King to report on Policy Status.

Policy Status:

CMS Procurement - *follow-up item from November 23, 2009 meeting*
Philina King provided an update on \$500,000 subcontracting threshold. An initial meeting was held regarding policy issues and follow up meetings will occur in the future.

POSTED BUSINESS

Chair James Sledge called for presentations:

Presentation by Denise Martinez:

Ms. Martinez reported that the study updates are minimal considering the committee has not met since November 2009. Committee meeting scheduled for Thursday, January 28, 2010. Ms. Martinez indicated that the study period for the CMS Disparity Study is July 1, 2005 through June 30, 2008.

Presentation by Philina King:

Ms. King provided general information to the Council regarding upcoming legislation in the Spring Session that involves the Business Enterprise Act and the Disparity Study. She stated she would make sure members are fully aware of any pending legislation.

Discussion and conclusions of the presentation are as follows:

- The legislation draft seeks to extend the Business Enterprise Program Act until 2012. The sunset date is June 30, 2010. The extension covers the extent of the disparity study.
- The two (2) year extension grants CMS and the Study committee enough time to look at the results of the study completed by Mason Tillman and the entire Business Enterprise Program and statute.

Chair James Sledge yielded the floor to Denise Martinez.

Denise Martinez from the Governor's Office advised members that CMS disparity study committee provided the Governor's Office with many recommendations. She stated they are utilizing the committee reach out efforts for the availability portion of the Study. The extension would allow time to work on the processes and policies.

Chair James Sledge opened the floor for discussion and feedback from the Council regarding BEP legislation and disparity study.

Florence Cox, Hedy Ratner, Beth Doria, Larry Ivory and Darryl Harris voiced the following questions and concerns:

- CMS will propose two (2) year extension in the legislation Spring session. Chair James Sledge stated he is open to discuss with the Council an extension beyond two (2) years.
- There are portions of the BEP Act that does not include the disparity issue. If the disparity study sunsets in 2012, what happens to other areas of the Act that do not pertain to the disparity study?
- The disparity study results will determine if changes are required within the legislation as it relates to the BEP Act.
- Will the disparity study weaken the BEP Council and BEP program?

Chair James Sledge entertained question and answer session from the Council regarding State government procurement activities and the implementation of Senate Bill 51.

Council key Topics of Discussion:

Amendatory Veto:

- Chair James Sledge briefed the Council on the amendatory vetos overruled and accepted by both House and General Assembly.
- General Assembly accepted veto to change Senate Bill 51 effective date to July 1, 2010.
 - Senate Bill 51 impacts all procurement across State government, including State Agencies, IDOT and Universities.
 - Chair James Sledge has formed a special implementation team to ensure Senate Bill 51 is implementing effectively. Because of a host of issues to work through, Chair James Sledge asked other State Agencies, IDOT, CDB, Denise Martinez and Darryl Harris to assist him in this mandate.
 - Due to lack of funds, existing staff throughout State government are participating on Senate Bill 51 work groups.

Other:

- Black Caucus and State Representatives have an interest in BEP issues and interest in becoming Sponsors for the program.

- Council member Ngozi Okorator noted that both State Representative Howard and State Representative Washington are interested in becoming involved in BEP issues and Sponsorship.
- Darryl Harris advised the Council that the Governor's Office works with groups they designate to sponsor legislation, as a joint Caucus a representative would champion legislation on issues to the Senate.

Senate Bill 51 Amendment to Business Enterprise Act, effective July 1, 2010:

- The new law allows the business to determine their certification category. Philina King and Darryl Harris defined the different classification categories to Council.

Certification Categories:

- minority owned businesses
- female owned businesses
- disabled owned businesses

UNFINISHED BUSINESS

Chair James Sledge called for committee updates.

A. Exemption/Compliance Committee

Harry Reinhard reported on exemption/compliance committee. Mr. Reinhard informed the Council that December 31, 2009 was the deadline for Agencies and Universities to submit 2010 Compliance Plans to BEP office. He stated he has two-thirds of the Compliance Plans ready for the committee's review. The committee will be provided an excel format indicating an amount of money by detail object code line item that an Agency/University is requesting an exemption.

The full Council will be reviewing and voting on these exemptions at the next Council meeting, February 22, 2010.

In addition, Mr. Reinhard provided the Council with committee member names. He invited other members to join. Beth Doria stated she would like to participate on the committee.

Committee members:

- Raymond Arias, Chairman
- Phillip Barreda
- Curtis Thompson
- Larry Ivory
- Beth Doria

Note: Committee will follow the rules of the Open Meeting Act. Philina King stated she would meet with Raymond Arias to provide a brief overview of the Act.

B. Bonding Committee

Lead Chairman, Darryl Harris reported that he and his committee has drafted legislation for Spring session and raised the bonding threshold to \$100,000.

C. Professional Services Committee

Hedy Ratner stated she is the chairperson for this committee and they have not met.

Committee members:

- Hedy Ratner, Chair

- Lourdes Coss
- Phillip Barreda
- Michael Gonzalez

Ms. Ratner stated she is on the committee for Governor Economic Recovery Commission. She provided a brief update on the issues they are currently working on. The committee deals with procurement issues and access to capital for women, minorities and small businesses. Ms. Ratner stated she would tender a copy of her committee report to Chair James Sledge. He stated he would assimilate a copy to the full Council.

The three (3) issues are as follows:

- Bonding
- Procurement
- Certification

Ms. Ratner asked for a representative from CMS/BEP to attend monthly certification committee meeting sponsored by Women Business Development Center and Chicago Minority Business Development Center. Ms. Ratner asked if a representative could attend once a month or every two months. Chair James Sledge stated he would look at what staff he has available to volunteer.

Question raised by Larry Ivory:

- Is there information that shows how well or how poorly African Americans are doing in the professional service area? – *item tabled until next Council meeting*

Universal Certification issue raised by Darryl Harris:

- Darryl Harris inquired about CMS/BEP expedited application process.
- Mr. Harris noted that the BEP Council agreed and voted to accept universal certifications from other entities such as METRA, Cook County and City of Chicago.
- Darryl Harris requested CMS and BEP program to reevaluate expedited process for vendors with universal certifications.
- Chair James Sledge noted that CMS/BEP will offer clarity where needed to vendors not understanding BEP expedited process including BEP 60 day review process and and State of Illinois rules and guidelines for universal certification.

NEW BUSINESS

Presentation by Harry Reinhard:

Harry Reinhard presented correspondence from East St. Louis Financial Advisory Authority to the Council. For 2010 fiscal year, Agency requested a blanket exemption from Business Enterprise Program.

Council decision and vote on Correspondence from Agency:

East St. Louis Financial Advisory Authority:

- The Council voted not to approve the East St. Louis Financial Advisory Authority exemption.

Requested exemption denied and motioned for approval by Beth Doria and seconded by Hedy Ratner. The remaining members of the Council denied requested exemption. No opposition, nor abstentions.

Council Agreed:

- That Agency should continue to submit their compliance plan to the Business Enterprise Program yearly.

Question and concern raised by Larry Ivory regarding IDOT, Bureau of Day Labor program.

- Larry Ivory reported that IDOT allocated \$39 million for their Bureau of Day Labor program with no BEP goals. Mr Ivory raised a question why such a significant amount of money has no BEP goals.
- Harry Reinhard stated that he reviewed IDOT's compliance plan and questioned them on the exemption. Mr. Roy Dolgos from IDOT explained that funds geared toward union labor through the union hall. There is no goal because the funds are specifically earmarked for repairs such as traffic signals, guardrails, electrical devices.

Action Items:

- Philina King to provide Darryl Harris with information on IT contracts – follow-up item from last meeting.
- Exemption committee will meet by next Council meeting to review 2010 Agency/University Compliance Plan Exemption Request.
- Chair James Sledge will extend an invitation to a representative from IDOT to attend next month meeting.

NEXT STEPS

- Next meeting scheduled for Monday, February 22, 2010, James R Thompson Center, 100 W Randolph Street, Room 2-025, 1:00 PM to 3:00 PM.
- Council to review and vote on Agency/University exemption request by next meeting
- Chair James Sledge will extend invitation to IDOT representation to attend next meeting to discuss their 2010 Compliance Plan exemption.

CMS Administration and BEP Council Mandates:

- Review and discuss CMS contract threshold policy
- Increase BEP goals in contracts whenever feasible
- Increase minority participation in contracts
- Forecast upcoming contracts and identify BEP goals

Meeting Adjourned at 2:22 PM